

**TOY DISTRICT/DOWNTOWN INDUSTRIAL DISTRICT
BUSINESS IMPROVEMENT DISTRICT
BOARD OF DIRECTORS MEETING
JANUARY 22, 2007
MINUTES**

BOARD MEMBERS

Present: **Ernie Doizaki, Howard Klein, Matt Klein, Larry Rauch, Michael Tansey and Paul Vert.**

Absent: **Richard Gardner, Donald Kanner, Richard Meruelo, Thomas Payne, Mark Shinbane, William Shinbane and Charlie Woo.**

STAFF: **Tara Devine, Raquel King, Greg Lee, Estela Lopez and Vicky McCormick.**

CONSULTANTS: **Qathryn Brehm, Ken Coelho and Don Steier.**

I. CALL TO ORDER

Vert called the meeting to order with a quorum at 12:13pm.

II. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

LAPD Commander Andrew Smith stopped by the board meeting to inform the Board that crime in Central Area is down 20.7%.

III. APPROVAL OF MINUTES

Rauch made a motion to approve the December 18, 2007 minutes, and Tansey seconded. The Board unanimously approved.

IV. FINANCIALS

Coelho reported that the BIDs ended the year with \$28,000 cash in Toy, and \$4,000 in DID. However, of the \$28,000, Toy is repaying DID \$25,000 in early January to cover expenses advanced by DID on behalf of the Toy District BID. Coelho reminded the Board that December 2007 invoices for safety and maintenance services had not yet been paid, but would be paid in January 2008.

Coelho reported that out of the \$150,000 line of credit that was opened, \$70,000 has been accessed. \$11,000 was received from the City one week ago, but current 2008 assessments should be received from the City any day. Additional funds may need to be accessed from the line of credit to cover expenses until funds from the City are received. Property owners were assessed in November of 2007.

Coelho informed the Board that there is \$40,000 in assessment funds for 2007 not yet received. Penalties and interest will also be included. The delinquent amount for year 2005 is \$20,000, and year 2006 is \$30,000. Coelho stated that the assessment income line item would be revised as soon as he received the final report from the City.

V. RENEWAL UPDATE

Lopez reported that staff is working on versions of the proposed budget for the new BID starting January 1, 2010. Staff is also separately costing out two possible expansion areas for the Board's review in February.

The budget will be given to Ken Coelho and renewal consultant Steve Gibson who will develop a choice of possible assessment formulas. Steve Gibson will present the scenarios at the March Board meeting.

On a separate note, Lopez stated that due to a quorum issue, it would be advisable to move the February board meeting to the 28th. A majority of members present agreed to the new date.

VI. OPERATIONS UPDATE

King reported that in 2005 there were 77,000 calls for service, in 2006 there were 65,665 (six months into the Safer Cities Initiative), and in 2007 the BID finished the year with 38,919 calls for service. The calls dropped by half from 2006 to 2007. This was also the first complete year of SCI.

Toy District

King reported that in December the amount of trash bags collected were consistent with prior months.

Drinking in public has decreased due to LAPD's Senior Lead Officer Earl Wright, who has been very focused on this issue and has made numerous arrests. Drug activity and loitering is down due to a LAPD task force on the weekends. Daytime encampments have decreased due to LAPD waking people up before the businesses open.

Illegal vending continues to move back and forth into the Toy and Fashion Districts. CCEA continues to assist the LAPD with illegal vending task forces. The number of shopping carts collected has increased. Unattended property tags and property removed decreased in December after an all time high in November due to the Jones decision and holiday giveaways. After the giveaways people left their property behind.

Downtown Industrial District

King reported that in December drinking in public had decreased. The BID is working with LAPD Vice to determine where the single sale alcohol is being purchased.

Drug activity has decreased due to the population reduction in Skid Row. Encampments increased due to holiday giveaways. Fights also increased amongst existing Skid Row dwellers and the newcomers. The newcomers were drawn to the area by the holiday giveaways.

Illegal vending increased in DID due to vendors fleeing the Toy and Fashion Districts. The vendors are moving into DID and the Arts District.

The number of shopping carts collected decreased in DID. In November unattended property tags were at an all time high due to the Jones decision and holiday giveaways, and a similar

decrease was noted in December in DID as it was in Toy. After the giveaways people left their property behind on the sidewalks.

Check in Center

King informed the Board that the build out of the warehouse was near completion, and that CCEA is in need of file cabinets, a fax machine and a printer. Two computers were donated to the Check in Center by Mike Mooslin, an Arts District BID Board member and property owner.

Vert asked if the CCEA donated cameras to LAPD were still being monitored. Lopez answered that although LAPD has limited resources for camera monitoring, the central city east cameras are being monitored.

Vert suggested that CCEA obtain funding for the maintenance of the cameras in the future.

It's A Blast (IAB)

Erick Hoff, owner of IAB presented the maintenance plan for Toy and DID. He informed the Board that the day crews will include manual sweepers using push carts and portable vacuums. Hoff stated that he had designed a new push cart that has three compartments, one of which will hold recyclables.

The night crews consist of using mechanical street sweepers. Hoff stated that he has all the staff and equipment needed.

Steier suggested that the CCEA logo be placed on the sweeper machines.

Lopez informed the Board that the daytime maintenance hours are 8am-4pm seven days a week; evening service will be from 6pm-9pm (trucks and sweepers) six nights per week. The night crew does not work Saturday nights.

Hoff added that the districts would be pressure washed between 8am-11am Monday thru Friday. Graffiti removal will take place 12pm-4pm Monday thru Friday.

Steier asked why the pressure washing stops at 11am. Lopez stated that there are signs currently posted stating that the sidewalks will be cleaned between 8am-11am. Steier stated that if pressure washing needed to go beyond 11am, the BID could give reasonable notice, and is not bound by the signs.

Lopez informed the Board that she would be meeting with City departments in City Hall to brief them on the new maintenance services.

Lopez reported that she met with Chrysalis' management several times to discuss the non-renewal of the maintenance contract. Lopez mentioned that there had been no reaction regarding cancelling the contract with Chrysalis. Lopez then informed the Board that IAB hired six out of thirteen workers from Chrysalis for permanent positions, and after a 30-day probation period, medical and dental benefits will be available to the workers.

VII. LEGISLATIVE UPDATE

Industrial Land Use Policy

Devine reported that between Christmas and New Year's Eve the Industrial Land Use Policy (ILUP) kicked into gear again with the announcement of revised recommendations and public meetings to follow.

On January 3, a memo was issued jointly by Gail Goldberg (City Planning) and Cecilia Estolano (Community Redevelopment Agency - CRA).

This internal memo to staff seeks to provide direction and guidance on projects that propose to convert industrial land. While the department heads insist that the guidelines merely reinforce existing City policy, the Council offices and Downtown community disagree - the memo articulates new information and

concepts not contained in the community plan (including sub-classifications of industrial areas as employment preservation districts, transitional districts, correctional areas, etc.) Furthermore, the memo outlines an exhaustive slate of community benefits, which 1) presumes that staff has the right to impose community benefits and 2) offers no guidance to staff on whether to expect all of the listed community benefits, or none. It leaves a wide berth of interpretation open to staff.

There is no substantive recommendation for changing industrial use in the Arts District (other than a small correction area of industrial property that has almost wholly converted).

Devine stated that the planning commission and the CRA were overwhelmed with constituents expressing opposition. Councilmember Jan Perry (Council District 9), and Jessica McLean (Planning Director, Council District 14) also voiced opposition.

Devine reported that there are four key letters supporting ILUP, a major one being from Mayor Villaraigosa. Someone in support of ILUP has solicited letters of support from the Los Angeles Economic Development Corporation (LAEDC), the Economic Alliance of the San Fernando Valley, and the AFL-CIO.

The key leadership in opposition to the policy are Council Districts 9 & 14. Devine added that CCEA will be educating Council members without industrial land in their district on the policy issue. For example, Councilmember Greg Smith covers the San Fernando Valley and opposes industrial conversion in his district. However, the issues facing his district are different (commercial conversion), and CCEA will endeavor to help him, and other Councilmembers, understand the unique issues in our area.

AMP Lofts is on the frontlines of the land use policy. After AMP's appeal hearing, CD14 exercised jurisdiction over the matter. The

project was heard by the City Council, in which Council voted 12-0 to overturn denial of the project.

Devine informed the Board that the AMP Lofts projects offered up numerous community benefits. 15% of the AMP Lofts are designated for affordable housing. Devine stated that there's also green space requirements, 5,000 sq. ft. of retail space and 140% required open space.

The neighborhood councils and Downtown residents have become more aware of the ILUP effort and understand its potential threat to the continued revitalization of Downtown LA. The interest of DLANC and the community at large indicates that the City unfairly labels this policy as a "greedy developer" issue. The neighborhood councils can be very helpful in making the City understand that the ILUP efforts are misguided, non-inclusive, and injurious to the evolving vision of a new Downtown LA.

Central City East Vision Plan

Devine informed the Board that the stakeholders forum would take place at CCEA on February 12th. The forum/focus group will be hosted by LeSar Development, the firm retained to undertake the 10-Year Implementation & Action Plan for Skid Row.

VIII. MARKETING

Brehm reported that she is searching for advertisers for the new Toy District Shopping Guide. She mentioned that Matt Klein would be advertising his 6th Street Bar & Grill.

IX. NEW BUSINESS- None

X. ADJOURNMENT- The meeting of the Board was adjourned at 1:41pm.